

AMENDED IN SENATE MAY 6, 2009

SENATE BILL

No. 586

Introduced by Senator Yee

February 27, 2009

An act to add Section 19622.5 to the Business and Professions Code, and to add Section 11011.27 to the Government Code, relating to state property, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 586, as amended, Yee. State property: sale.

Existing law authorizes the Director of General Services to dispose of state surplus property, subject to specified conditions, including authorization by the Legislature.

This bill would require the director, prior to an unspecified date, to sell, at fair market value, upon those terms and conditions determined by the director, a specified parcel of state property located in the County of San Mateo and the City and County of San Francisco to any interested party. ~~The bill would exempt an "as-is" sale, exchange, sale, sale combined with an exchange, or transfer of this parcel from certain provisions of the California Environmental Quality Act (CEQA). If the sale, exchange, sale combined with an exchange, or transfer of the parcel is not an "as-is" sale and close of escrow is contingent on satisfying a local governmental approval for entitlement or land use requirements, including compliance by the local government with certain provisions of CEQA, then the execution of the purchase and sale agreement or exchange agreement would be exempt from those provisions of CEQA.~~

The bill would provide that the net proceeds of the conveyance would be paid into the Fair and Exposition Fund, a continuously appropriated

fund, for the benefit of a specified district agricultural association, as provided, thereby making an appropriation. The bill would require reimbursement to the Department of General Services for any cost or expense incurred in the disposition of the property. This bill would also declare the Legislature's findings that the sale of this state property does not constitute a sale of surplus state property, as set forth in specified existing law.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 19622.5 is added to the Business and
2 Professions Code, to read:

3 19622.5. Pursuant to subdivision (c) of Section 19622.3,
4 within 30 days of enactment of this section, the Department of
5 Food and Agriculture, until _____, shall assume only the rights,
6 duties, and powers of the board of directors of the District 1-A
7 Agricultural Association associated with negotiating the sale of
8 the real property of the District 1-A Agricultural Association.

9 SEC. 2. Section 11011.27 is added to the Government Code,
10 to read:

11 11011.27. (a) The Director of General Services in consultation
12 with the Department of Food and Agriculture, prior to _____,
13 shall enter into negotiations to sell, at fair market value with an
14 all-cash sale or cash equivalent without any conditions relating to
15 entitlements, to any interested third party, upon those terms and
16 conditions and subject to those reservations and exceptions that
17 the director determines are in the best interests of the state, the
18 following real property:

19 Parcel A: Beginning at a point on the southerly line of Walbridge
20 Street, now Geneva Avenue, with the easterly line of Carter Street
21 (in the City and County of San Francisco); thence running easterly
22 along the southerly line of Walbridge Street 980 feet; thence at a
23 right angle south 19°35' west 600 feet; thence at a right angle north
24 70°25' west 720 feet; thence at a right angle south 19°35' west 60
25 feet; thence at a right angle north 70°25' west 260 feet; thence at

1 a right angle north 19°35' east 660 feet along the easterly line of
2 Carter Street to the point of beginning.

3 (b) A notice of every public auction or bid opening shall be
4 posted on the parcel to be sold pursuant to this section and shall
5 be published in a newspaper of general circulation published in
6 the county in which the real property to be sold is situated.

7 ~~(c) (1) An “as-is” sale, exchange, sale, sale combined with an~~
8 ~~exchange, or transfer of the parcel described in subdivision (a) is~~
9 ~~exempt from Chapter 3 (commencing with Section 21100) to~~
10 ~~Chapter 6 (commencing with Section 21165), inclusive, of Division~~
11 ~~13 of the Public Resources Code. However, the buyer or transferee~~
12 ~~of the parcel shall be subject to any local governmental entitlement~~
13 ~~or land use approval requirements, and that buyer or transferee~~
14 ~~shall be subject to the requirements of Chapter 3 (commencing~~
15 ~~with Section 21100) to Chapter 6 (commencing with Section~~
16 ~~21165), inclusive, of Division 13 of the Public Resources Code.~~

17 ~~(2) If the sale, exchange, sale combined with an exchange, or~~
18 ~~transfer of the parcel described in subdivision (a) is not an “as-is”~~
19 ~~sale and the close of escrow is contingent on satisfying a local~~
20 ~~governmental approval for entitlement or land use requirements;~~
21 ~~including compliance by the local government with Chapter 3~~
22 ~~(commencing with Section 21100) to Chapter 6 (commencing with~~
23 ~~Section 21165), inclusive, of Division 13 of the Public Resources~~
24 ~~Code, then the execution of the purchase and sale agreement or~~
25 ~~exchange agreement is exempt from Chapter 3 (commencing with~~
26 ~~Section 21100) to Chapter 6 (commencing with Section 21165);~~
27 ~~inclusive, of Division 13 of the Public Resources Code.~~

28 ~~(d)~~

29 (c) Notwithstanding the terms and conditions negotiated
30 pursuant to subdivision (a), the director shall not sell the property
31 identified in subdivision (a) for less than its fair market value.

32 ~~(e)~~

33 (d) Fair market value shall be evaluated at the highest and best
34 use of the property as entitled with its existing zone designation,
35 generally required for all real estate appraisals and as governed by
36 the Uniform Standards of Professional Appraisal Practice (USPAP).

37 ~~(f)~~

38 (e) An agreement for the sale of the property identified in
39 subdivision (a) shall require a purchaser to develop the property
40 for uses consistent with the general plan of the City of Daly City,

1 any amendment to that general plan, any specific plan amendments
2 to any specific plan, and the Bayshore Revitalization
3 Redevelopment Plan.

4 ~~(g)~~

5 (f) The Department of General Services shall be reimbursed
6 from the sale proceeds for any cost or expense incurred in the
7 disposition of the property described in subdivision (a).

8 ~~(h)~~

9 (g) The net proceeds of any moneys received from the
10 disposition of any parcel of property described in subdivision (a)
11 shall be paid into the Fair and Exposition Fund for the benefit of
12 the District 1-A Agricultural Association.

13 SEC. 3. The Legislature finds and declares that the disposition
14 of state property authorized in Section 2 of this act does not
15 constitute a sale or other disposition of surplus state property as
16 set forth in Section 9 of Article III of the California Constitution
17 or subdivision (g) of Section 11011 of the Government Code.

18 SEC. 4. This act is an urgency statute necessary for the
19 immediate preservation of the public peace, health, or safety within
20 the meaning of Article IV of the Constitution and shall go into
21 immediate effect. The facts constituting the necessity are:

22 In order for the Director of General Services to sell the property
23 described in Section 2 of this act at the earliest possible time, it is
24 necessary that this act take effect immediately.